

March 27, 2020

## MDRA Legislative Update

Two days ago, Governor Walz announced a “stay-at-home” proclamation for all Minnesotans that will take effect at midnight tonight and will last for two weeks until Friday April 10 in response to the growing COVID-19 pandemic. All but those providing “essential services” are impacted by this order.

MDRA immediately pressed DVS for clarification with the governor’s order regarding its application on deputy registrar offices under this essential services exemption. While many offices may have already “publicly” closed recently due to the pandemic, many have continued to process title work and registration renewals with alternative methods by using drop off and direct mail options they have created for their customers. These very limited service offerings have kept offices operating with some thread of normalcy in these abnormal times for their customers.

Offices have dutifully informed DVS of these limited services being offered, which was a topic during our state-wide webinar with DVS on Tuesday this week, one day before the governor’s announcement. At that time, in recognition of a possible “stay-at-home” order, we raised the matter to continue this practice as well as allow us to relocate some stock (tabs) off-site to complete these transactions if necessary. DVS indicated they would “look into” relaxing this inventory rule.

However, late Wednesday night as you all know, all offices received a DVS bulletin declaring that all offices must close by midnight Friday (tonight) through Friday April 10. All deposits must be made by close of business Friday March 27 (today) with no open reports remaining. Furthermore, the bulletin stated that even DVS offices would close, and their employees would telework to process applications and respond to customer calls to the best of their ability.

This bulletin has been interpreted that all computer access for deputy offices will be suspended during this time, and that has been confirmed by DPS assistant commissioner Tim Linough. Such would effectively end even the limited services some offices have been offering in these difficult times. This is especially profound as it impacts the trucking and agriculture sectors (which are essential services) using our pro-rate offices. This is also true for limited auto dealer sales which are likewise exempted.

Yesterday, MDRA reached out to all pro-rate offices to determine if they would consider continuing in operation under a possible exemption after assistant commissioner Linough reached out to us regarding this matter. This was not a mandate, but rather a request. However, by late yesterday, DPS deputy commissioner Cassandra O’Hern intervened and seemed to contradict even that possibility. She then also stated that deputy’s computer access would not be suspended during the two-week shutdown and suggested that current limited “non-public” service offerings could continue! MDRA immediately asked her for a follow-up DVS bulletin to clarify this matter. We await their response.

In other news from the capitol, the legislature reconvened yesterday to only consider and pass another COVID-19 related piece of emergency legislation. This legislation, overwhelmingly passed and now sent to the governor, provided \$330 million for additional resources. Included was a \$2.4 million transfer of funds for DVS to hire temporary staff to handle their backlog of work. It also grants a 60-day grace period for expiring DL and ID cards during the emergency health order we currently operate under. It **DOES NOT** include any comparable grace period for MV registrations. A proposed MV registration grace period was championed by the House, but this was rejected by the Senate in the final bill draft. Included

in the final bill were modifications to the current residency documentation requirements when applying for Real ID. It relaxes the time frame for certain eligible documents from 90-days to 12-months, allows consideration for the use of cellular phone bills, current game and fish licenses, and unrelated names that appear on utility bills. These changes for Real ID applications won't take effect until after FAST system program changes are made, or no later than 30 days after the governor signs the bill. These changes will be shared in a separate update.

Related to other Real ID news, all offices should have received word that the federal government announced yesterday an extension regarding Real ID implementation. This deadline has officially been pushed back one full year, and now becomes effective October 1, **2021**.

In closing, let's all be mindful of the serious circumstances that everybody across the state is experiencing and operating under in these very trying times. This includes our lawmakers and regulators who are trying to respond to an overwhelming amount of diverse questions and requests as they try to navigate this crisis to the best of their abilities. It is everyone's civic duty to respect the magnitude of this health crisis and to take the proper steps to combat it.

However, the financial impacts facing offices currently are yet another setback for us after weathering the MNLARS fiasco which continues to plague us and is greatly compounded now by COVID-19. During the forthcoming two-week shutdown, we strongly encourage you to continue contacting your local lawmakers and key state senate members to enact filing fee increases this session as requested in our update from Monday March 23. Even if you have already done so, DO IT AGAIN! While the legislature is in recess until April 14, there remains yet another 5-weeks of session beyond that.

***DEPUTY FILING FEE INCREASES ARE CRITICAL TO BE ENACTED THIS YEAR. OFFICES WILL NOT SURVIVE WITHOUT IT. PERMANENT DEPUTY REGISTRAR OFFICE CLOSURES ARE GUARANTEED TO BEGIN BY THIS FALL IF THE LEGISLATURE FAILS TO ACT.***

Thank you, deputies and above all stay healthy and level headed amid the chaos.